



# Department of Justice

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## **EL PASO BUSINESSMAN AGREES TO PLEAD GUILTY TO CONSPIRACY TO RIG BIDS AND ALLOCATE CUSTOMERS FOR DOOR AND HARDWARE CONTRACTS**

WASHINGTON – The vice president of an El Paso, Texas, door and hardware company has agreed to plead guilty to conspiring to rig bids and allocate customers for contracts to supply and install doors and hardware for construction projects in the El Paso area, the Department of Justice announced today. Humberto “Beto” Lopez had been indicted previously but today agreed to plead guilty to the charge in the indictment and to cooperate with the ongoing investigation.

Lopez, vice president of El Paso Steel Doors and Frames Inc., and his company were indicted in September 2008 for their role in the bid-rigging and customer allocation conspiracy. Architectural Products Co. Inc. and its president, Lindsay B. Holt, were also charged at the same time. The indictment, filed in the U.S. District Court in El Paso, alleges that Lopez, Holt and others engaged in the conspiracy beginning in the early 1990's and continuing until at least May 2006. Holt also is charged with obstruction of justice. Lopez's sentence will be determined by the court, and his plea is subject to court approval. A trial date has not yet been set for Holt or the two companies that were indicted.

“The Antitrust Division will vigorously prosecute individuals and companies that engage in bid-rigging and customer-allocation conspiracies that cheat customers who rely upon the competitive process to receive the best price for the goods and services they purchase,” said Thomas O. Barnett, Assistant Attorney General in charge of the Department's Antitrust Division.

According to the indictment, during the course of the conspiracy, Holt, Lopez and their co-conspirators participated in meetings and discussions concerning upcoming bids for certain contracts to supply and install doors and hardware for construction projects. They agreed during these meetings and discussions not to compete on bids for certain contracts. Holt, Lopez and their co-conspirators agreed on which of their companies would win certain contracts. They also agreed to allocate particular customers to designated companies with the understanding that they would not compete to win business from a customer allocated to another company. As part of the conspiracy, Holt, Lopez and their co-conspirators refrained from bidding or submitted intentionally high, complementary and non-competitive quotes or bids for certain contracts.

In September 2008, Eric Edward Mijares, a former employee of Architectural Products, pleaded guilty to participating in the same conspiracy to rig bids and allocate customers. His sentencing date has not been scheduled.

Lopez was charged with violating the Sherman Act, which carries a maximum sentence of 10 years imprisonment and a maximum fine of \$1 million for individuals. The maximum fines may be increased to twice the gain derived from the crime or twice the loss suffered by the victims of the crime, if either of those amounts is greater than the statutory maximum fine.

The ongoing investigation is being conducted by the Antitrust Division's Dallas Field Office in conjunction with the El Paso office of the Federal Bureau of Investigation and the Texas State Attorney General's Office. Anyone with information concerning anticompetitive conduct, fraud or other allegations of illegal activity in the door and hardware industry is urged to call the Antitrust Division's Dallas Field Office at 214-661-8600.

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